

**MINUTES OF THE
POLITICAL SUBDIVISIONS INTERIM COMMITTEE**
Wednesday, June 20, 2001 - 8:00 a.m. - Room 223 State Capitol

Members Present:

Sen. Carlene M. Walker, Senate Chair
Rep. David L. Hogue, House Chair
Sen. David L. Gladwell
Rep. Stephen D. Clark
Rep. David N. Cox
Rep. Scott Daniels
Rep. Fred J. Fife III
Rep. Kory M. Holdaway
Rep. Joseph G. Murray
Rep. Darin G. Peterson
Rep. Richard M. Siddoway
Rep. Max W. Young

Members Excused:

Sen. Beverly Ann Evans
Sen. Paula F. Julander

Staff Present:

Mr. Joseph Wade,
Research Analyst
Mr. Keith Woodwell,
Associate General Counsel
Ms. Joy L. Miller,
Legislative Secretary

Note: A list of others present and handouts distributed are on file in the Office of Legislative Research and General Counsel.

1. Welcome and Committee Business

Chair Hogue called the meeting to order at 8:05 a.m. He reported that the Legislative Management Committee approved the committee's request for a Special Districts Subcommittee.

2. Followup on Exemptions to Local Land Use Requirements

Rep. Styler explained that the mission of SITLA is to raise money for Utah's school children through development, sale, or other use of trust land properties. There has been a great deal of debate as to whether SITLA should be treated as a public or private entity. He said it is his opinion SITLA should be encouraged to develop as private groups do and be subject to local planning and zoning ordinances with input from local officials.

Mr. Dave Spatafore, Utah League of Cities and Towns, discussed an issue brought to his attention by Salt Lake City Council member Carlton Christensen regarding the fairpark. Periodically when the fairpark invites businesses to set up a business fair or sell goods at the park, they don't always coordinate with Salt Lake City in terms of business licenses and other necessary regulations. At times these situations pose a public safety problem. It is hoped that legislation could be proposed that when business type activity is occurring on state property, those businesses have to adhere to local regulations. Mr. Spatafore stated he received a call from Mr. Rick Holman, Assistant City Manager, Cedar City, who wanted him to inform the committee that they are very pleased with how the School and Institutional Trust Lands Administration (SITLA) is working with them. He gave two examples of situations in which SITLA voluntarily worked with the city and followed local zoning ordinances.

Ms. Judy Bell, Orem City Councilwoman & President, Utah League of Cities and Towns, stated that Orem City currently has a good working relationship with its schools. She said the league would like to revise the statute in order to allow for prior discussions on how to access property that will be acquired for schools. She read a letter from Mayor Jess Adamson, Highland City, expressing his concern that the state code be strengthened to require more cooperation between the districts and cities and give the cities more recourse. Ms. Bell pointed out that cities throughout the state spend a great deal of time on master planning. It is frustrating to them when that plan is changed without any input. She noted schools can be built on a piece of ground with no access. The cities are then required to provide that access. It is essential that cities be involved at the beginning of the planning process.

Mayor Sandra Lloyd, Riverton City, stated there is a definite need for greater coordination and cooperation between school districts and cities regarding building codes, city ordinances, plan checks, and inspections. She related an experience that happened in a new elementary school in the city. Students and teachers claimed to have headaches, nausea, and rashes as a result of an odor inside the school. The problem was ignored by the school district and the principal. Action was finally taken when a parents' group came forward and said they would not send their children to the school until the situation was resolved. The school was evacuated and students were dispersed to surrounding schools. Environmental specialists determined there was a sewer problem in the school which cost the district \$400,000 to repair. She indicated she didn't have any jurisdiction to take steps to correct the problem. Ms. Lloyd pointed out that the city did not have the opportunity to review the school plans prior to its construction and make inspections. Many unnecessary problems resulted from the lack of communication between the school district and the city.

Superintendent Steve Laing, State Superintendent of Public Instruction, indicated that over the last few years there has been a great deal of effort to require school districts to utilize licensed inspectors so that the quality of the building is being inspected by someone who has the proper training. In many situations the districts contract with either the city or county inspector.

Mr. Ron Ivy, building official and Park City Fire Marshal, said school development should have the same kind of community oversight with possibly a few minor exceptions. He observed that there may be some advantage to have a board of appeals for dispute resolution established by the legislature. An administrative remedy rather than a legal remedy will result in a better development program. The tone of the statute should advocate a cooperative process.

Mr. Spatafore pointed out that over the last few years relationships between school districts and cities have improved. Local governments want to have schools within their jurisdiction. However, when cities are required to provide public safety, transportation, and utilities, local governments need to know where that school will be located.

Mr. Brent Gardner, Utah Association of Counties, stated the association has no official position at this time. However, there needs to be very good communication between state, county, and city entities as they deal with local zoning issues.

MOTION: Rep. Siddoway moved to approve the minutes of the May 23, 2001 meeting with the following changes: Sen. Gladwell should be noted as being excused and "Sen. Holdaway" should be changed to "Rep. Holdaway" on the last page. The motion passed unanimously.

3. School and Institutional Trust Lands

Mr. Kevin Carter, SITLA, indicated that as a state agency it has exemptions for planning and zoning. SITLA requires its partners and lessees to go through the planning and zoning process when working with cities and counties. He said they have 7,500 parcels of land they own and manage within the state. They appreciate the opportunity to work with cities and counties.

Mr. Rick McBrier, SITLA, distributed a copy of their 2000 annual report. He pointed out that in many instances, SITLA properties have been left out of the local master planning process. He explained that SITLA reviews each parcel and makes a determination on whether it is a candidate for privatization, conservation, or exchange. They then engage the local governments to discuss those issues and choices. Selected parcels are chosen and the development process is entered into. Parcels with development potential are typically large tracts near growing communities. He briefly discussed some planning areas SITLA is involved with and other key land use planning projects and BLM exchanges. Mr. McBrier stated SITLA is spending hundreds of thousands of dollars annually on planning efforts with local communities.

Mr. Carter gave a brief overview of the history and congressional land grant intent of school and institutional trust lands in Utah. SITLA's vision is to become an increasingly significant source of school funding revenue. In the 1980s the Permanent School Fund was at approximately \$65 million. Currently it is almost \$400 million. Several years ago a law was passed which provided for the interest and the monies generated from the Permanent School Fund to go directly to schools. A small amount of the money is used to pay for management. Renewable resource income for nonschool grants is given to the beneficiaries. Nonrenewable resource income for nonschool grants goes to the permanent fund for that grant beneficiary and only the interest is distributed to them. He explained that reservoir grant income is deposited in the Board of Water Resources Revolving Loan Account. All school fund revenues go into the Permanent School Trust Fund, the interest of which is distributed to schools. Mr. Carter gave some examples of how schools are using the money they receive.

MOTION: Rep. Siddoway moved to adjourn. The motion passed unanimously. Chair Hogue adjourned the meeting at 9:45 a.m.

